

760 CMR 49

760 CMR 49.00:

REGULATION GOVERNING THE MASSACHUSETTS RENTAL VOUCHER PROGRAM

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49.01 Application and Effective Date

760 CMR 49.00 was originally promulgated on September 4, 1992, was amended on September 18, 1992, and was effective October 23, 1992. Further permanent amendments to 760 CMR 49.00 were effective on September 1, 1998 and November 13, 1998. Waivers to 760 CMR 49.00 in effect at an LHA immediately prior to the effective date of this regulation shall remain in effect unless and until revoked by the Department.

760 CMR 49.00 is applicable to all persons applying for or participating in the Massachusetts Rental Voucher Program (MRVP) pursuant to Section 21 of Chapter 133 of the Acts of 1992.

49.02 Definitions

Definitions in 760 CMR 4.00, 760 CMR 5.00, and 760 CMR 6.00 shall apply in 760 CMR 49.00. The following definitions shall also apply:

Contract Rent - the total monthly rent specified in the lease, the Request for Program Payment and Voucher Payment Contract for a Contract Unit occupied by a Participant. The Contract Rent includes the value of the Voucher paid by the LHA and the amount of the Participant's share of rent. Contract Rent does not include payments made by the Participant separately to utility providers for the cost of heat, cooking fuel, and/or electricity.

Contract Unit - a unit occupied by a Participant for which the Participant submits a Request for Program Payment, enters into a lease with the Owner, and for which the Owner or Owner's Agent and LHA sign a Voucher Payment Contract.

Cooperative - a limited equity housing corporation as defined by M.G.L. c. 157B, 4. Participants who are members of such a Cooperative may receive MRVP rental assistance, but they cannot accumulate equity resulting from the MRVP subsidy funds paid to the Cooperative on their behalf.

Low-Income Set Aside Units - designated Low-Income Set Aside Units are units in developments which have been constructed with the assistance of certain state or federal programs, in conjunction with private developers. These programs include, but are not limited to, RDAL, SHARP, TELLER, and Low-income Housing Tax-Credit. These Contract Units are reserved for low-income eligible Participants in accordance with the program requirements.

Owner - a person (including a corporation or other entity) who has legal title to property.

Owner's Agent - a person who is legally authorized to act in the place of the Owner for the purpose of transacting business.

Participant - one or more persons who are authorized to reside together in one Contract Unit which is his/her or their Primary Residence.

Project Based Units - Units which are authorized by Department approved contracts to receive rental assistance pursuant to the following programs: SHARP, TELLER, Low-income Housing Tax Credit, RDAL, MassHousing Section 13A and Section 236, Moderate Rehabilitation, Core Focus, MHP, DPH, Transitional Housing Services, RRHP, SRO and other programs which may from time to time be approved by the Director of the Department. The rental assistance is attached to the unit (or project) and not to the person who occupies the unit. When the unit is vacated, the rental assistance remains with the unit (or project). The programs are more specifically defined below:

(a) Core Focus - a program which, in conjunction with DHCD Mod Rehab rental subsidies, provides Massachusetts Community Development Block Grant Program funds to local communities pursuant to 42 U.S.C. 5301 and 24 CFR Part 570 for private mixed-use housing/commercial development projects.

(b) DPH (Department of Public Health) - a DHCD program which awards project based rental assistance funds to specific projects which house clients receiving support services through DPH.

(c) Low-Income Housing Tax Credit Program - a DHCD program which permits private or non-profit developers to develop low-income housing assisted by a system of Federal tax credits in accordance with Section 42 of the United States Internal Revenue Code of 1986 as amended. A minimum of twenty percent (20%) of the units must be set-aside and marketed to households at fifty percent (50%) of the area-wide median income; if forty percent (40%) of the units are set-aside for low-income households then the units may be marketed to households at sixty percent (60%) of median income.

(d) MassHousing (the former Massachusetts Housing Finance Agency) Section 13A Interest Subsidy Program and the MassHousing Section 236 Mortgage Subsidy Program - these

programs provide state funded interest subsidies pursuant to Section 10 of Chapter 855 of the Acts of 1970 (M.G.L.A. c. 23A App., 1-13A) as amended, and federal mortgage subsidies pursuant to Section 236 of the National Housing Act of 1968 codified as amended at 12 U.S.C. 1715l(d)(3), z-1(1994), in order to provide low-interest mortgages to private developers for the development of affordable housing for low and moderate income tenants.

(e) MHP (Massachusetts Housing Partnership) - a body politic and corporate established pursuant to Section 35 of Chapter 405 of the Acts of 1985 as amended by Sections 34-37 of Chapter 102 of the Acts of 1990 which provides, through a variety of programs, state housing resources to private developers for affordable housing projects that are consistent with local development initiatives.

(f) Moderate Rehabilitation (Mod Rehab) - a DHCD program which involves rehabilitation of property. Such rehabilitation involves physical repair or replacement which is not ordinary maintenance and costs five thousand dollars (\$5,000) or more per unit (or one thousand dollars (\$1,000) or more per Single Room Occupancy Unit), and which is necessary to:

1. bring the unit or property into compliance with the State Sanitary Code and any other applicable law; or
2. repair or replace a major system or component in danger of failure. When repairs have been completed, pursuant to Moderate Rehabilitation contracts, the subsidy is attached to the housing units, not the tenants occupying the units.

(g) RDAL (Rental Development Action Loan Program) - a program to encourage the development of mixed-income rental housing and cooperatives pursuant to Section 3 of Chapter 226 of the Acts of 1987, line item, 3722-8878 as amended.

(h) RRHP (Rural Rental Housing Program) formerly known as FmHA (Farmers Home Administration) - a program which provides funds to private developers to develop units under Section 5154 of Title V of the United States Housing Act of 1949 as amended.

(i) SHARP (State Housing Assistance for Rental Production) - a program which includes low-income housing within private developments by providing permanent financing to reduce the cost of interest payments and rental subsidies to encourage rental of low-income units. Developers participating in the SHARP program agree to set aside no less than twenty-five (25%) of all units within a complex for state and federal rental assistance Participants. The program is authorized by M.G.L. c. 23B, 25-27.

(j) Single Room Occupancy (SRO) Unit - as defined below.

(k) TELLER Program (Tax-Exempt Local Loans to Encourage Rental Housing) - a program which allows LHAs the option of issuing tax-exempt bonds to finance privately-owned, mixed income rental housing pursuant to M.G.L. c.121B, 26(m) and the regulations at 760 CMR 21.00 et seq.. Developments financed with TELLER bonds must have a minimum of twenty percent (20%) of the units set aside for households earning less than fifty percent (50%) of the area wide

median income; if forty percent (40%) of the units are set aside the household income level can be at sixty percent (60%) of area wide median income.

(l) Transitional Housing Services Program (THSP) - a DHCD program of social services and temporary housing to enable an eligible household to locate and live successfully in permanent housing.

1. Service Provider (SP) - a social services agency under contract to another federal or state agency to provide supportive services to THSP Eligible Households as defined below. The SP is the MRVP Project Based Voucher Holder and leases units to be occupied by THSP Eligible Households.

2. THSP Eligible Households - A household eligible to occupy a Transitional Housing Unit provided the household is:

a. income eligible pursuant to 760 CMR 49.03. All income of the applicant head of household shall be included for eligibility purposes, notwithstanding the age of the applicant.

b. receiving Transitional Housing Services from a SP participating in the Program.

3. Selection of THSP Eligible Households and Continuation of Assistance

a. The SP is responsible for the selection and termination of THSP Eligible Households, in accordance with the SP's contractual obligations with the agency that provides the SP with funding for the provision of services.

b. The LHA is responsible for determining the financial eligibility of households selected for participation by the SP.

c. THSP Eligible Households participating in a Transitional Housing Program funded under the MRVP are not eligible for transfer to another State-Aided Unit under 760 CMR 5.00.

Project Based Waiting List - the applicant list which the LHA has established, with prior Department approval, for the purpose of offering units specifically funded by project based subsidy, including, but not limited to, units in MassHousing Section 13A and Section 236, Mod Rehab, SHARP and TELLER projects.

Single Room Occupancy Unit -

(a) a single room in an SRO Eligible Property as defined below occupied by a Participant household consisting of not more than one individual person which:

1. shall be leased with furnishings provided by the Owner of a bed, bureau, lamp or light fixture, and closet or wardrobe, all in good condition, unless tenant provides such furnishings; and

2. does not have sanitary or food preparation facilities within the room, unless supplied by the Owner pursuant to M.G.L. c. 140, 22A; and

3. is in compliance with the applicable requirements of the State Sanitary Code and any other applicable State statute, regulation or local ordinance.

(b) SROs may be leased in an SRO Eligible Property. An SRO Eligible Property is a rooming, lodging or boarding house, hotel, inn or private residence which is:

1. Licensed for such operation by the appropriate authority;

2. Certified by the appropriate agency as in compliance with applicable Building, Sanitary and Fire Codes.

(c) A unit in a student dormitory, residence of a religious order, facility providing continuous psychiatric, medical, or nursing services, or private club is not eligible as an SRO unit.

Suitable Unit - a dwelling unit for which a Voucher Payment Contract is to be executed. The unit must:

(a) be intended solely for occupancy by the Participant and as the Participant's Primary Residence;

(b) be of an appropriate unit size for the Participant household;

(c) comply with Article II of the State Sanitary Code (including lead paint laws, whenever the household includes a child under the age of six (6) years), State Building Code and other applicable laws;

(d) if a single room, meet the definition of a Single Room Occupancy Unit above;

(e) if a unit in a cooperative in which the Participant is a member, meet the definition of Cooperative above.

Transitional Housing Units - Units which are intended to be temporary housing for selected Eligible Households during participation in a Transitional Housing Service Program as these terms are defined above.

Voucher - a contract document between the LHA and a Voucher Holder which certifies program eligibility and sets forth program requirements, guidelines and benefits for applicants who have been determined eligible for assistance pursuant to Department regulations. There are two types of Vouchers: Mobile Vouchers and Project Based Vouchers. Mobile Voucher assistance is available to the person holding the Voucher, whether or not the person moves, provided he or she remains eligible. Project Based Voucher assistance is attached to a particular housing unit or development, and assistance to a Participant terminates when the Participant moves from that housing unit or development.

Voucher Holder - a household which has been accepted into the Massachusetts Rental Voucher Program and to which either a Mobile or Project Based Voucher has been issued. When the household locates to a Suitable Unit, executes a lease, and the LHA begins making Voucher Payments, the Voucher Holder becomes a Participant.

Voucher Payment - For a Mobile Voucher Holder, an amount paid by an LHA to an Owner or Owner's Agent in accordance with a Value of Voucher Schedule established by the Department, taking into consideration a Participant's income, household size, Contract Unit size and geographic location of the Contract Unit. For a Project Based Voucher Holder, an amount paid by an LHA to an Owner or Owner's Agent on behalf of a Participant in accordance with the Voucher Payment Contract.

49.03 Eligibility for Program Participation

(1) Income and Asset Limits for Admission and Continued Eligibility.

(a) For admission in the MRVP, a Participant's net income, as calculated pursuant to 760 CMR 49.05(7) below, shall be no more than two hundred percent (200%) of the Federal Poverty Level Standard, as promulgated by the U.S. Department of Health and Human Services. LHAs must adopt revised income limits as often as necessary to be consistent with changes in the Federal Poverty Level Standard. The Department shall advise each LHA which administers the MRVP of these standards.

(b) Participants are eligible for assistance until such time as the Participant's net income, as defined in 760 CMR 49.05(7) below, exceeds two-hundred percent (200%) of the Federal Poverty Level Standard in effect at the time, or at any time the Participant fails to meet the additional eligibility requirements set out at 760 CMR 49.03(2) and (4).

(c) A Participant shall retain a Voucher, but receive no financial housing assistance, for a period of ninety (90) days after such time as the LHA has certified the Participant's net income, as defined in 760 CMR 49.05(7) below, to be greater than two hundred percent (200%) of the Federal Poverty Level Standard. At the expiration of the ninety (90) day period, if such net income still exceeds two hundred percent (200%) of the Federal Poverty Level Standard, the Participant is no longer eligible for MRVP participation.

(d) For the purposes of initial eligibility an applicant household's total assets may not exceed one and one half times the gross household income of the applicant or \$15,000.00, whichever is greater. There is no asset limitation for purposes of continued eligibility.

An "asset" includes but is not limited to the following:

1. The amount of all cash, savings, checking, money market or similar account, including the amount held in an Individual Retirement Account, 401 (k) pension, or similar retirement account subject to IRS regulation.

2. The market value of equity in real property, stocks, bonds or other form of capital investment, whether personal or business, except the value of an applicant's shares in Cooperative as defined in 760 CMR 49.02 above.

3. The value of equity in such personal property as boats, recreational vehicles, luxury goods. Value is determined by taking the higher of the insured value or appraised market value.

4. Payment received or to be received in settlement of personal or property loss; money at interest and debts due applicant by any person(s), or the value of cash surrender insurance policies.

5. The value of any business or personal asset disposed of by any household member (including a disposition in trust) for less than fair market value during the two years prior to the determination of eligibility pursuant to 760 CMR 49.03 to the extent of the difference between the fair market value and the consideration received.

6. The value of any interest in a trust fund benefiting any adult household member.

(2) To be otherwise eligible for the MRVP, an applicant or Participant must meet any applicable requirements pursuant to 760 CMR 49.09 and must not:

(a) Owe back rent to an LHA, for which he/she has not entered into a repayment agreement, or have failed to stay current with a repayment agreement, or

b) Owe damages or vacancy loss payments to an LHA for which he/she has not entered into a repayment agreement, or have failed to stay current with a repayment agreement, or

(c) Have failed to comply with all the terms of any repayment agreement, including repeated late payments or partial payments without prior LHA approval, or

(d) Have misrepresented or falsified any information required to be submitted as part of the applicant's application, or a prior application within three (3) years, and the applicant fails to establish that the misrepresentation or falsification was unintentional, or

(e) Have had a judgment for possession of premises leased from an LHA or from an Owner under a State funded housing program entered against him/her by a court for good cause, or

(f) Have, and the members of the applicant's household must not have, engaged in criminal activity, or activity in violation of M.G.L. c. 151B, 4, which would interfere with or threaten the rights of other tenants or LHA employees to be secure in their persons or in their property or with the rights of other tenants to peaceful enjoyment of their units and the common areas, or

(g) Have failed to comply with the terms of an MRVP Voucher, or

(h) Have, and the members of the applicant's household must not have, directed abusive or threatening behavior which was unreasonable and unwarranted toward an LHA employee during the application process or any prior application process within three (3) years, or

(i) Have failed to provide information reasonably necessary for the LHA to process the applicant's application; or

(j) Intend to live somewhere other than a Contract Unit as his/her Primary Residence.

(k) Be a current illegal user of one or more controlled substances as defined in M.G.L. c. 94C 1, or have a household member who is engaged in such activity. A person's illegal use of a controlled substance within the preceding 12 months shall create a presumption that such person is a current illegal user of a controlled substance, but the presumption may be overcome by a convincing showing that the person has permanently ceased all illegal use of controlled substances. This disqualification of current illegal users of controlled substances shall not apply to applicants for housing provided through a treatment program for illegal users of controlled substances.

(3) Remaining members of Participant households are eligible for continued occupancy under the same conditions set out in the definition of Family (Household) at 760 CMR 5.03, except that the remaining members must meet the MRVP eligibility criteria and not the public housing criteria.

(4) Requirements for Continued Program Participation- A Participant in the MRVP remains eligible for program assistance provided that the Participant remains eligible in accordance with 760 CMR 49.03(1)-(2) above, the terms of the executed Voucher document, and any other program documents.

49.04 Participant Selection

(1) LHAs shall continue to select eligible Participants from its Project Based and Mobile Voucher waiting lists in the order established by 760 CMR 5.00, unless otherwise provided pursuant to 760 CMR 49.00 et seq. The following sections of 760 CMR 5.00 shall not apply to administration of the Massachusetts Rental Voucher program: 5.06, 5.08(1), 5.10 (1) (2), 5.12 (2).

(2) In the event of a vacancy in a Low-Income Set Aside Unit, unless otherwise provided pursuant to 760 CMR 49.00 et seq., there shall be a marketing effort by the Owner or the Owner's Agent to attract MRVP Voucher Holders and holders of federal Section 8 subsidies to fill the vacancy. Written notification of the vacancy shall be given by the Owner to regional LHAs as a part of such marketing effort.

(3) Participant selection for Vouchers that serve targeted populations may be exempt from 760 CMR 49.04(1) if approved by the Department.

49.05 Determination of the Value of the Voucher

(1) In determining the value of the Mobile Voucher for each Participant in the MRVP, the LHA shall establish each Participant's net income as defined in 760 CMR 49.05(7) below. A Participant's Mobile Voucher value shall be established in accordance with a schedule published from time to time by the Department. This schedule shall set out various categories of Voucher amount based upon considerations of income, household size and composition, and geographic location of the Contract Unit. The Department may also establish a minimum amount for a Mobile Voucher. Appropriate unit size shall be determined on the basis of the size and composition of the Participant's household in accordance with the definition in 760 CMR 5.03.

(2) For the purpose of determining the value of the Mobile Voucher, the Commonwealth shall be divided into various geographical regions which shall be determined by the Department. The value of a Participant's Voucher may vary from region to region.

(3) There shall be no maximum percentage applicable to the amount of income paid for rent by each MRVP Participant holding a Mobile Voucher. Such a Participant shall pay a minimum of thirty percent (30%) of net household income toward rent.

(4) When the value of the Mobile Voucher has been determined in accordance with 760 CMR 49.05(1), a Voucher Payment will be sent each month to the Owner of the Contract Unit in which the Participant lives, or to the Owner's Agent, and the remainder of the Contract Rent shall be paid to the Owner or the Owner's Agent by the Participant.

(5) Participants residing in Project Based Units shall have their net income determined in accordance with 760 CMR 49.05(7) below. LHAs shall determine the value of the Project Based Voucher by subtracting from the monthly Contract Rent, the Participant's share of rent which, for a Participant who pays separately for the cost of heat, shall be a minimum of thirty percent (30%) of Participant's net income, and for a Participant who does not pay separately for the cost of heat, shall be a minimum of thirty-five percent (35%) of Participant's net income.

(6) For the purpose of determining the value of a Mobile or Project Based Voucher, a Participant's net income shall be determined as follows:

(a) **Gross Income.** A Participant's gross income means the income from all sources of the head of the household and co-head, and each additional member of the household who is at least twenty-one (21) years of age, which is anticipated to be received during the twelve (12) months following admission or redetermination of household income. Earned income of a working child under the age of eighteen (18) shall not be included in a Participant's gross income. One half (1/2) of the income of a working child, age eighteen (18), nineteen (19) and twenty (20) shall be included in a Participant's gross income. Income of Full-time Students, as defined in 760 CMR 6.03, shall not be counted.

1. Items which are to be included in gross income are set out in 760 CMR 6.05(2).

2. Items which are to be excluded from gross income are set out in 760 CMR 6.05(3).

(b) Net Income. A Participant's net income is gross income less the items set out in 760 CMR 6.05(4), except that:

1. There shall be no three hundred (\$300) dollar or four hundred (\$400) dollar flat deductions from income as contained in 760 CMR 6.05(4)(a)-(c).

2. There shall there be no deduction for heat as described in 760 CMR 6.05(4)(d).

3. There shall be a deduction of five percent (5%) of the gross income of a Participant household whose head or co-head is at least sixty (60) years of age or where the head of household, co-head, or a household member is handicapped.

4. There shall be no income imputed to assets as described in 760 CMR 6.05(2)(c); however, actual income derived from assets shall be included as described therein.

(7) In no event shall the value of the Mobile or Project Based Voucher exceed the Contract Rent.

(8) Redetermination for Continued Program Participation

(a) Determination of Value of Voucher on Annual Basis. At least once in every twelve (12) month period, each Participant shall complete and file with the LHA an occupancy form providing complete and accurate information about income and composition of the household. This form must be returned to the LHA within forty-five (45) days of the date of the request. The LHA shall require the Participant to provide reliable third party verification of all necessary information. The LHA may find any household which fails to provide such information ineligible for continued participation. Upon receipt of the Participant's completed occupancy form, the LHA shall then determine whether the Participant's Voucher value and share of rent should be adjusted, whether a Participant's unit size is still appropriate for Participant's needs, and whether the Participant is eligible for continued program participation. If the Participant's share of the rent is adjusted, the value of the Voucher shall be adjusted accordingly.

(b) Changes in Voucher Value Between Regular Redetermination Dates.

1. When monthly income of the Participant household decreases, an increase in the value of the Voucher shall be made when requested by the Participant. The changed Voucher value will be effective on the next regular payment date following the report to the LHA and verification of the lower income.

2. Participants shall inform the LHA of all increases in monthly income of the household of ten percent (10%) or more within thirty (30) days of such increases. If the Participant's Voucher value decreases because of the increased income, the changed Voucher value shall be effective on the first payment date of the second month following submission of the new income information. A Participant's failure to report an increase in gross income shall be grounds for termination of the Participant from the program if such increase, if reported, would have resulted in a decreased Voucher value. In the event that LHA does not terminate the Participant's participation in the program, the Voucher value shall be adjusted retroactive to the date such

change would have taken effect had the increase been properly reported, and the LHA may enter into a repayment agreement with the Participant for the difference.

3. Participants shall inform the LHA of all changes in household size and/or composition within thirty (30) days of such changes. At the time that the size of the household is reported, the net income and Voucher value shall be reviewed and revised. If the Participant's net income has decreased, the Voucher value shall be changed effective the first payment date following the report and verification of change in household size. If the Participant's net income has increased, the Voucher value shall be changed effective on the first payment date of the second month following the report of change in household, unless such change was not reported with the required thirty (30) days. A Participant's failure to report the change shall be grounds for termination of the Participant from the Program if the change would have resulted, if reported, in a decreased Voucher value. In the event that the LHA does not terminate the Participant's participation in the program, the Voucher value shall be adjusted retroactive to the date such change would have taken effect had the household change been properly reported, and the LHA may enter into a repayment agreement with the Participant for the difference.

4. If a Participant with a Mobile Voucher relocates, the Participant's continued eligibility, share of rent and appropriate unit size shall be fully redetermined at that time.

5. Voucher values shall be adjusted whenever necessary to comply with 760 CMR 49.00, other regulations, or applicable law. In the event that a Participant files a grievance as to the amount of a redetermined rent share within fourteen (14) days of the LHA's notice of the redetermined rent, the Participant shall continue to pay the rent share in effect instead of the redetermined rent (unless the redetermined rent is lower) until disposition of the grievance. Following disposition of the grievance, the Participant shall forthwith pay any additional amounts determined to have been due but not paid since the effective date set out in the notice of redetermined rent or the LHA shall credit the Participant with any amounts paid but determined not to have been due. In the absence of a grievance, the redetermined rent shall be paid beginning on its effective date.

49.06 Project Based Vouchers

(1) From time to time when an applicant is determined eligible for a Project Based Unit pursuant to 760 CMR 49.03, the LHA which makes the determination of eligibility shall issue a Project Based Voucher to that applicant who then shall become a Participant. An applicant offered a Project Based unit must accept the owner's offer within 7 days of the date of the written offer. An applicant for a Project Based unit is entitled to only one offer of a unit of appropriate unit size provided the applicant may be entitled to another unit offer when the applicant provides reliable documentation establishing that the unit offered is inappropriate and would cause severe and unreasonable hardship. An applicant, who fails to accept the offer of a unit within 7 days or to provide such documentation within that period, shall be removed from the waiting list. After being removed from the waiting list, if the applicant files a new application with the LHA, the applicant shall not be entitled to any priority or preference received on the prior application(s) for a period of 3 years.

(2) The Voucher Holder, Owner, or the Owner's Agent must supply the LHA with a certification from the local Board of Health or other local code enforcement entity that the Contract Unit is in compliance with Article II of the State Sanitary Code and (if applicable) a certification from a Certified Lead Inspector that the Contract Unit is in compliance with applicable lead paint law. Any cost(s) incurred as a result of this requirement shall be borne by the Owner or Owner's Agent.

(3) The LHA shall then enter into or amend a Project Based Payment Contract with the Owner of the Project Based Unit or the Owner's Agent on behalf of the Participant.

(4) When a Project Based Payment Contract with the Owner or Owner's Agent has been executed or amended, the terms and conditions of the Participant's Voucher remain in effect for the period of time that the Participant occupies the Project Based Unit. When a Participant chooses or is required to move, the Voucher will terminate and the Participant shall not be entitled to any MRVP benefits.

(5) If a Participant residing in a Project Based Unit is no longer residing in an appropriate sized unit due to a change in household composition, the Participant must move to the next available state-aided housing unit of appropriate size which the LHA shall offer in accordance with the Administrative Transfer procedures contained in 760 CMR 5.00. If the Participant refuses the LHA's offer of a housing unit, the Participant's participation in MRVP shall be terminated.

(6) Monthly Contract Rents for Project Based Units shall not exceed the Contract Rent levels in effect on October 31, 1992, or as subsequently determined by the Department.

(7) Voucher Payments shall be paid by the LHA directly to the Owner or the Owner's Agent. Payments shall be made only for those eligible Participants during the actual period of occupancy in a Project Based Unit. In no event shall payments be made by the LHA pursuant to this program for vacancy losses, damage claims, Participant's share of rent arrearage, or any other fee or charge owed by the Participant.

(8) Each Project Based Owner or Owner's Agent is required to use best efforts to refinance outstanding debt obligations in order to reduce the Owner's or Owner's Agent's expense obligations and to permit reduced Contract Rents.

49.07 Low-Income Set Aside Units

(1) Designated Low-income Set Aside Units must first be marketed to Participants in federal rental assistance programs and Mobile Voucher Holders participating in the MRVP as described in 760 CMR 5.04(2). If no eligible Participants are located through this effort, a request may be forwarded through the LHA to the Department and MassHousing (where applicable), for their approval for the assignment of Project Based rental subsidy for the Low-Income Set Aside Unit.

(2) A Mobile Voucher Holder residing in a Low-Income Set Aside Unit may choose to relinquish his or her Mobile Voucher at any time. In no event can the Mobile Voucher be reissued after it has been relinquished by the Participant. Provided the Participant who held the

Mobile Voucher remains eligible for the MRVP, a Project Based Voucher will be issued by the LHA and the Voucher value will be calculated in accordance with 760 CMR 49.05(5).

(3) Monthly Contract Rents for Low-income Set Aside Units shall not exceed Contract Rent levels in effect on October 31, 1992, or as subsequently determined by the Department.

49.08 Mobile Vouchers

(1) After an MRVP applicant who has reached the top of the waiting list is determined eligible and qualified by an LHA, the LHA shall immediately issue a Voucher, if a Voucher is available, to that applicant who then shall become a Voucher Holder. The Voucher shall be valid for a period of one hundred and twenty (120) days from the date of issuance. The one hundred and twenty (120) day time period may be suspended for one time period of thirty (30) days or less if the Voucher Holder, for reasons of hardship, is unable to search for suitable housing. Evidence of hardship must be submitted by the Voucher Holder to the LHA to be considered for this time suspension.

(2) Within one hundred and twenty (120) days of issuance/reissuance of a Voucher, a Voucher Holder shall submit a Request for Program Payment for a proposed Contract Unit to the administering LHA. The Voucher Holder or the Owner or Owner's Agent must also supply the LHA with a certification from the local Board of Health or other local code enforcement entity that the unit is in compliance with Article II of the State Sanitary Code and (if applicable) a certification from a Certified Lead Inspector that the proposed Contract Unit is in compliance with applicable lead paint law. Any cost(s) incurred as a result of this requirement shall be borne by the Owner or Owner's Agent.

(3) Upon receipt of the necessary documentation, the LHA shall enter into a Voucher Payment Contract with the Owner of the Contract Unit, or the Owner's Agent, on behalf of the Voucher Holder (later referred to as the Participant.)

(4) While a Voucher Payment Contract is in effect, the terms and conditions of the Participant's Voucher remain in effect for the period of time that the Participant occupies the Contract Unit or until otherwise terminated. When a Participant chooses or is required to move, the Participant shall give one calendar month's written notice to the LHA and to the Owner or Owner's Agent. If a Participant moves and remains eligible, the LHA shall issue a new Voucher, and the Participant shall have one hundred and twenty (120) days to locate a Suitable Unit.

(5) If the Participant does not locate a Suitable Unit within one hundred and twenty (120) days, the Voucher will expire, and the Participant shall not be entitled to further benefits.

(6) A Mobile Voucher Holder may move anywhere in the state without jeopardizing program eligibility except as noted in 760 CMR 49.08(7) below. When a Participant relocates from one LHA's jurisdiction to another, the Voucher will be administered by the LHA in the city or town where the Participant takes up residence and the value of the Voucher will be determined by the receiving LHA.

(7) When Mobile Voucher Participants relocate from one municipality to another, Voucher assistance will not be payable to a Participant who relocates into Federal Census tract where, according to the most recent decennial Federal Census data, at least forty percent (40%) of the residents have incomes at or below the then current Federal Poverty Level Standard.

(8) In areas where an LHA does not exist, or elects not to participate in the program, the Voucher will be administered by a Regional Non-profit Housing Agency, or other entity approved by the Department.

49.09 Additional Vouchers

The Department may set-aside or otherwise target additional Vouchers with funding authorization as of July 1, 2012 to extremely low-income populations and may modify requirements, including eligibility, selection, and participation requirements, for such Vouchers.

49.10 Required Documents

Documents required in the administration of the MRVP shall include, but are not limited to:

(1) Annual Contributions Contract. (ACC) An ACC setting out the duties and obligations of the Department and the LHA must be signed by authorized representatives of both parties.

(2) Voucher Payment Contract. A contract provided by the Department must be signed by the Owner of a Contract Unit or the Owner's Agent and an LHA.

(3) Lease Addendum All MRVP Participants and Owners or Owner's Agents are required to execute an MRVP Lease Addendum prescribed by the Department. This document insures that a Participant is not bound by a lease that unfairly waives certain legal rights.

(4) Voucher. All MRVP Participants and authorized LHA representatives must sign a Voucher in a form provided by the Department which shall set out the rights, duties and obligations of the Participant. The Voucher shall constitute a contract between the Participant and the LHA.

(5) Request for Program Payment. When a Mobile Voucher Holder locates a Suitable Unit, the Voucher Holder shall submit to the LHA a Request for Program Payment, on a form prescribed by the Department which shall set out the address of the proposed Contract Unit, the number of bedrooms, the party responsible for payment of utilities, the name and address of the Owner or the Owner's Agent, and the proposed Contract Rent.

49.11 Grievance Procedure

Grievances as defined in 760 CMR 6.03 may be filed by Participants. Grievances so filed shall be processed in accordance with 760 CMR 6.08, or as otherwise approved by the Department.

49.12 Waiver Provision

Provisions of this regulation may be waived in writing by the Director of the Department of Housing and Community Development if requested by an LHA in writing for a good reason.

REGULATORY AUTHORITY

760 CMR 49.00: M.G.L. c. 23B; c.121B, 29